(iv) Incorporation of second stream of at Iron Ore Handling Plant (IOHP)

(v) Replacement of Wharf Crane

(vi) Construction of Lighterage Berth

(vii) Extension of Break Water

(viii) Construction of Oil Berth (spill over)

(ix) Upgradation of Power Distribution (spill over)

(x) Construction of Concrete Road (spill over); and

(xi) Installation of modern fire fighting systems.

**Introducing a Tonnage Tax Scheme**

570. SHRI K. RAMA MOHANA RAO: Will the Minister of SHIPPING be pleased to state:

(a) whether it is a fact that his Ministry has sent a proposal to the Ministry of Finance for introducing a Tonnage Tax Scheme to replace the existing Corporate Tax scheme;

(b) if so, the details thereof;

(c) whether it would help the domestic vessels;

(d) whether the proposal has been cleared by the CCS;

(e) the present gross registered tonnage of India; and

(f) whether his Ministry is planning to increase the GRT?

THE MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI SU. THIRUNAVUKKARASAR): (a) to (c) Yes, Sir. The Ministry has forwarded a proposal to Ministry of finance for implementation of the Rakesh Mohan Committee recommendation relating to introduction of Tonnage Tax Scheme as an option to Corporate Tax Scheme. The committee has recommended that, recognizing the role of shipping in the national economy, a conducive fiscal regime should be provided so that Indian shipping can be internationally competitive. To facilitate the growth of Indian shipping industry, it was also recommended that option should be given to the industry to opt either for Tonnage Tax regime or to continue with the present corporate tax. The step will promote tonnage acquisition in Indian Shipping.

(d) No, Sir.

(e) At present the gross registered tonnage of the Indian shipping stands at 6.22 million tones as on 31st October, 2002.

(f) Yes, sir. The Government has taken various measures to increase the gross registered tonnage, such as:

- Import of all types of ships have been included in the OGL;
- Ships (including second hand ships) can be imported freely now without license as per guidelines issued by the Ministry of shipping on 15th June, 2001 and 5th March, 2002;
- 100 percent FDI is allowed in shipping sector;
- The proposed custom duty of 5% on import of Ships in the Finance Bill for 2001-2002, has been done away with.
- Enhancement of Depreciation rate from 20% to 25% for Ships.
- Section 33AC of IT Act has been made more attractive for Indian Shipping Companies. The limit upto which reserves could be built up by the shipping companies for new acquisition will now include general reserves and share premium reserves also. Earlier it was limited to twice the paid up capital of the shipping companies.

**Liberation and rehabilitation of scavengers in Andhra Pradesh**

571. DR. DASARI NARAYANA RAO: Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state:

(a) whether National Scheme of Liberation and Rehabilitation of Scavengers is under implementation in Andhra Pradesh;

(b) if so, the details thereof;

(c) the number of scavengers liberated and rehabilitated in the State, so far; and

(d) the number of scavengers in the State yet to be rehabilitated and the action being taken in this regard?